

THE HALE GROUP

Advocates for Excellence in Long-Term Care

August 17, 2015

Rick Riley
Department of Human Services
Iowa Medicaid Enterprise
100 Army Post Road
Des Moines, Iowa 50315

Dear Mr. Riley:

If Managed Care in Iowa was a NASA project, its launch would be indefinitely delayed due to a lack of readiness.

The Iowa DHS is encouraged to take the NASA-like action. And CMS is encouraged to require that.

I have been a contrarian on Managed Care in Iowa. While most were saying that it was a bad idea doomed to fail, I was saying that the current system was producing unacceptable results, and that fundamental change was needed.

What I have also said (this from The Hale Group comments to DHS dated March 19, 2015) is that *“The transition to managed care has the potential to address many of the challenges in the current system IF – and that is a critical IF – we do this in a smart way. Our concern is that the timetable for change may be more than aggressive – it may be too aggressive.”*

The March 15 comments also said this:

“A too aggressive timetable leaves legislators and stakeholders with too few opportunities to engage in planning activities. And our experience is that it’s the planning stage where the key decisions get made and the key directions established.

We urge a re-visiting of the timetable, and a move to a more gradual approach to implementation. The current timetable makes it appear that we are engaged in a race. We believe it more appropriate to view this as a journey.”

DHS did not slow the process down; and that’s understandable. They were not the decision makers here; they were following the lead of the Governor and of the Legislature. They were doing what Executive Branch agencies do – they were following the mandate given to them and seeking to do the best they could with the constraints placed upon them.

I have said publicly on several occasions that I empathize with the staff at DHS. They have been placed in a situation where they have been forced to do almost everything in a too-fast fashion. I have attended numerous meetings and presentations where DHS comments were couched (of necessity) in the context of “we’re still working on that”, “we’ll be getting to that”, “we’re going to be convening a group on that” etc.

The result of this rush to meet a deadline is that, in my opinion, Iowa is not ready to successfully implement a Managed Care program January 1, 2016.

Based on the direct and anecdotal evidence available, no one is truly ready. Service providers are not ready to deal with, or to even fully understand, all the moving parts of the new system. Managed Care companies (with the contract awardees just announced today) are not ready to build and manage the provider networks needed, or to build and effectively utilize stakeholder advisory groups. DHS is not ready to oversee the implementation and ensure acceptable access to care and services, to ensure that the care and services provided meet high quality standards, and to have in-place the necessary grievance and appeals processes. The Long-Term Care Ombudsmen’s Office is not ready to fulfill a new legislative mandate to expand their oversight and advocacy roles.

And maybe just as, if not more importantly, consumers are not ready for this change.

Over 550,000 Iowans are going to be impacted by this shift to Managed Care, almost one in every six residents. The communications to them, and the assistance available to them to fully understand what’s happening and how it affects them, remains a work-in-progress.

The meetings to date on the details of the communications and education plan (I was able to attend one of the two meetings recently held) clearly showed the enormity of the task and the rushed approach to getting all the pieces in place.

The rushed nature was seen in the numerous questions and observations from consumers, advocates and members of the public – questions and observations that were often met by a “we’ll consider that”, “we’ll get back to you on that”, “we’re working on that” etc. (Again – this is not a criticism aimed at DHS staff; this is simply a recognition that staff is working “under the gun” and is trying their best to make the best of a less than desirable situation.)

A successful communications and outreach plan is key to a successful launch. Communications must be clear to the recipient. They must get to the recipients that need them. They must provide ample time for response, and take into account mail delivery challenges, and the reality that many recipients will need the help of a family or other caregiver to open and respond to the notice. They must take into account language and cultural challenges, the complexity of the subject matter, and of the need not just to provide information – but to provide a robust assistance program that helps people understand the decisions they are being asked to make, the implications of those decisions, and the ability to change the decision at a future date.

From my vantage point, it does not appear that DHS has had the opportunity to develop the robust communications and assistance program needed to allow consumers to fully understand what's happening, and to confidently take the actions needed.

And some of what I have seen is concerning. The process of notifying recipients of their choices in MCO's is one.

It's been stated that "an algorithm" will make the default choice of MCO for the consumer; a choice that the consumer will have to "override" in order to change.

The algorithm, while easy and best for DHS and for the MCO's (in that it seeks to ensure some degree of equal enrollments for all of the MCO's selected), is by its very nature something that limits consumer choice. Further, it will lead enrollees to believe that the assignment made is clearly the one that an official source (who, in the customers mind, understands this much more than they do) believes is either good, or best, for them.

If "decision by algorithm" is the best way to allow consumers to be moved into a new system, why was that same process not used for consumers as the ACA enrollment process was rolled out in Iowa and across the nation? Or when Medicare consumers made their first, or their annual, choice of a Part D provider?

It simply appears to me that the algorithm process is being used because it's easy. Not because it's right.

Doing something really well is much better than doing something really fast. For the many reasons stated above, I urge delay. Delay is often the best course of action when all signs point to a lack of readiness. Those signs exist, and we should be willing to pay attention to them.

Thank you for consideration of these comments. Questions about them can be addressed to John Hale.